

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 339 – HB 1176

April 7, 2017

SUMMARY OF ORIGINAL BILL: Reduces the penalty for the offense of carrying a handgun without a permit and with the intent to go armed to a Class C misdemeanor with a \$25 fine for a first offense and \$50 for a second or subsequent offense and requires a citation to be issued in lieu of arrest.

CORRECTED FISCAL IMPACT OF ORIGINAL BILL:

Decrease Local Revenue – \$160,000

Decrease Local Expenditures – Exceeds \$18,000

SUMMARY OF AMENDMENT (006923): Deletes all language after the enacting clause. Makes the penalty for the offense of carrying a handgun without a permit and with the intent to go armed a Class C misdemeanor offense punishable only by a fine up to \$100 for a first offense and only by a fine up to \$250 for a second offense. Removes enhancement for first and second violations that take place in public areas. Requires a citation to be issued in lieu of arrest for first and second offenses.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease Local Revenue – \$96,000

Decrease Local Expenditures – Exceeds \$14,400

Assumptions for the bill as amended:

- Currently, the offense for carrying a handgun without a permit with the intent to go armed codified in Tenn. Code Ann. § 39-17-1307 is a Class C misdemeanor in addition to possible imprisonment as provided by law and may be punished by a fine not to exceed \$500 for a first offense and a Class B misdemeanor for a second and subsequent offense.
- Third and subsequent violation penalties remain unchanged from current law.

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- It is reasonably assumed that an average fine of \$250 is being assessed and collected under current law for all violations of Tenn. Code Ann. § 39-17-1307, all of which is considered local revenue.
- According to statistics from the Administrative Office of the Courts (AOC), there has been an average of 100.8 convictions per year for violations of Tenn. Code Ann. § 39-17-1307, over the last five years. These statistics represent convictions at the state court level. It is assumed that only 10 percent of misdemeanor convictions are at the state court level. It is assumed that there are a total of 1,008 statewide convictions (100.8 x 10) per year for violations of Tenn. Code Ann. § 39-17-1307. However, there are two classes of weapons—firearm or club—prohibited under Tenn. Code Ann. § 39-17-1307. The statistics are not separated by offense. It is assumed that 900 of the 1,008 involve a handgun rather than a club or other firearm. It is further assumed 800 of the 900 estimated violations are first time offenses, and 80 of the remaining 100 violations are estimated to be second violations.
- Due to indigence, approximately 80 percent of all fines are estimated to be paid.
- The reduction in fine revenue for each first offense is estimated to be \$150 (\$250 average fine under current law - \$100 proposed fine).
- The recurring decrease in local revenue is estimated to be \$96,000 (\$150 decrease x 800 first-time violations x 80.0% collection rate).
- It is further assumed that no jail time is being served for first time offenders for violations of Tenn. Code Ann. § 39-17-1307. However, it is estimated that a minimum of 10 percent of second offenders are serving an estimated 30 days in jail.
- Local jail incarceration expenditures are estimated to be \$60.00 per day per person.
- The recurring decrease in local incarceration expenditures is estimated to exceed \$14,400 (80 convictions x 10.0% x \$60 per day x 30 days).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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